

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

<b>In the Matter of</b>	)	
	)	
<b>Implementation of the Pay Telephone</b>	)	<b>CC Docket No. 96-128</b>
<b>Reclassification and Compensation</b>	)	
<b>Provisions of the Telecommunications</b>	)	
<b>Act of 1996</b>	)	

**COMMENTS OF THE NATIONAL PAYPHONE CLEARINGHOUSE  
ON PETITIONS FOR RECONSIDERATION**

Cincinnati Bell Telecommunications Services Inc. d/b/a the National Payphone Clearinghouse (NPC) files these comments regarding the RBOC Payphone Coalition's Petition for Reconsideration and Clarification of the Fourth Order on Reconsideration and Order on Remand (*Fourth Reconsideration Order*) in the above referenced proceeding. Specifically, the NPC opposes the RBOC Coalition's request that payments be issued within 30 days after the Commission's allocation order is published in the Federal Register.<sup>1</sup> While the NPC appreciates that the Coalition's members are anxious to receive any compensation they are due for the interim period and the intermediate period, the administrative complexities involved in calculating and distributing the payments once an allocation method is finalized makes a 30-day turn around impossible.

The NPC currently processes approximately 75 percent of all payphone compensation and will be responsible for processing and distributing both the interim and intermediate compensation settlements for its clients.<sup>2</sup> In reply comments filed in this proceeding on October

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<sup>1</sup> See, RBOC Payphone Coalition's Petition at pages 2 and 7.

<sup>2</sup> The NPC was established in 1992 to process payphone compensation payments for carriers and distribute the money to the appropriate payphone providers. The NPC is a subsidiary of Cincinnati Bell Telephone Company which is a wholly-owned subsidiary of Broadwing Inc. In a

31, 2000 the NPC addressed several of the administrative issues involved in processing interim compensation settlements and recommended that a minimum of 180 days be allowed for completing the interim compensation true-up process.<sup>3</sup> Although the release of the *Fourth Reconsideration Order* provides some of the information needed to process true-up payments, the processing work cannot begin until the Commission establishes the allocation methodology.

Once the allocation methodology is set, some of the tasks involved in processing the settlements will include:

- Retrieving validated claims and restoring them into production for processing and reporting;
- Retrieving and consolidating paid payments on these claims for each carrier;
- Calculating actual compensation for these claims by carrier;
- Determining the difference in what was paid and what should have been paid for each carrier;
- Calculating interest to be applied for each claim for each carrier.

This process will have to be repeated for each claim quarter during the interim period.

Furthermore, because the *Fourth Reconsideration Order* also creates a settlement mechanism for the intermediate compensation period, a similar process will be required for each quarter of the intermediate compensation period.<sup>4</sup> This work will all be in addition to the normal quarterly processing for current per-call compensation. Attempting to true up both the interim and intermediate periods in conjunction with the current quarter production would quadruple the amount of data being processed by the NPC's systems. Although the systems are designed to

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typical quarter, the NPC validates and processes data for over 2 million payphones and 600 million calls.

<sup>3</sup> See, Reply Comments of the National Payphone Clearinghouse filed October 31, 2000 in *Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-128, *RBOC/GTE Payphone Coalition Files Proposal for Setting Payphone Compensation for Interim Period*, Public Notice, DA 00-2189.

<sup>4</sup> Because the intermediate period compensation will not apply uniformly to all payphones and carriers, the process for the intermediate compensation will be more complex than the interim period compensation.

accommodate varying amounts of data, they cannot handle a quadrupling of the data for a single 30-day period.

So as not to jeopardize the current quarter compensation and to ensure the accuracy of the true-up compensation, the NPC recommends that when the Commission issues its final allocation order it allow nine months for the interim and intermediate settlements to be paid. In its October 31, 2000 Reply Comments the NPC recommended six months for the interim compensation true-up. However, because the *Fourth Reconsideration Order* also includes the even more complex intermediate compensation settlement, additional time will be required to complete the processing. Thus, the NPC recommends nine months after the release of the allocation order to complete all interim and intermediate compensation true-ups.

Because of the volume of data and complexity of the process required to accurately compute and distribute the interim and intermediate payphone compensation, the RBOC Coalition's request that it be paid within 30 days of the publication of the order in the Federal Register is unrealistic. The NPC asks that the Commission reject the Coalition's request, and instead, allow nine months from the release of the order for the completion of the settlement process.

Respectfully submitted,

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